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# THE FINANCE COMMISSION

OF THE

## CITY OF BOSTON

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REPORT TO THE LEGISLATURE FOR THE  
YEAR ENDING DECEMBER 31, 1935

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CITY OF BOSTON  
PRINTING DEPARTMENT  
1936







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# REPORT TO THE LEGISLATURE.

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BOSTON, January 31, 1936.

*To the Honorable the Senate and House of Representatives  
in General Court Assembled.*

In accordance with section 18 of chapter 486 of the Acts of 1909, the Finance Commission of the City of Boston submits its annual report for the year 1935.

## I. ORGANIZATION OF THE COMMISSION.

On March 21, 1935, Philip A. Chapman of No. 47 Sudan street, Dorchester, was appointed by Governor James M. Curley to fill out the unexpired term of Joseph McKenney.

On August 29, William W. Saxe replaced Judge Jacob J. Kaplan whose term expired on August 18.

On November 13, Robert Robinson of No. 19 South street, Brighton, replaced William W. Saxe who resigned.

On January 7, 1936, James E. Maguire of No. 41 St. Andrew road, East Boston, was appointed to fill out the unexpired term of William Arthur Reilly who resigned on the same date.

On January 15, 1936, Joseph A. Scolponeti of No. 31 May street, Jamaica Plain, was appointed to fill out the unexpired term of Alexander Wheeler who resigned on January 13.

The full bench of the Supreme Judicial Court of Massachusetts upheld the right of Governor Curley to designate E. Mark Sullivan as Chairman, question of such right having been raised by Judge Kaplan.

## II. APPROPRIATION AND EXPENDITURES.

The amount appropriated for the Finance Commission for the year 1935 was \$50,000. The expenditures were as follows:

Permanent employees . . . . .	\$34,100 00
Printing and binding . . . . .	575 16
Transportation of persons . . . . .	168 43
Light and power . . . . .	160 14
Rent . . . . .	5,100 00
Telegrams, telephones and messenger service . . . . .	504 35
Cleaning . . . . .	72 00
Fees . . . . .	7 50
Photographing and blueprinting . . . . .	1 85
Miscellaneous items and repairs . . . . .	30 30
Office equipment . . . . .	1 75
Library equipment . . . . .	188 08
Office supplies . . . . .	342 89
Ice . . . . .	45 40
Miscellaneous supplies . . . . .	11 25
Electrical supplies . . . . .	6 48
Hire of experts, etc., in special investigations . . . . .	7,775 54
	<hr/>
	<u>\$49,091 12</u>
Amount appropriated . . . . .	\$50,000 00
Amount expended . . . . .	49,091 12
	<hr/>
Balance unexpended . . . . .	<u>\$908 88</u>

## III. THE WORK OF THE COMMISSION.

A perusal of the record of the activities of the Commission in the twenty-five years of its existence cannot fail to impress any who take the trouble to inspect it that the year 1935 was one of the most important in the life of the Commission. The reports made during the year were many and varied. For the most part, they dealt with appropriations about to be made on the Mayor's recommendation; with contracts about to be awarded with the Mayor's approval; with appointments about to be made at the Mayor's direction; and



with wanted changes by the Mayor in policies that had been proven sound in many years of experience. The majority of the reports might be characterized as preventive reports, that is, reports offered in advance of a contemplated expenditure of public funds which, in the opinion of the Finance Commission, would be unwise.

In all such reports the Commission opposed the expressed desires of what is known as the Mansfield administration, because the Commission believed that the best interests of the taxpayers were not being served. It is easy, therefore, to understand that these reports provoked a hostility from the Mayor and from those associated with him in carrying out certain purposes of his administration that was never previously matched in the history of the Finance Commission.

The good faith of the members of the Commission was frequently attacked. The motives of the Commission were characterized as a plot to prevent the Mayor from undertaking an investigation that was originally recommended to him by two of the members of the Commission. Yet the two who had first suggested his investigation had joined heartily in the work which the Mayor decried. A faithful staff of employees who, by many years of fair dealing with City employees, had earned respect and consideration in City Hall departments and had served all Commissions alike did not escape the tirade of abuse that flowed continually from the administration's mouthpieces. But through it all the Commission continued to function as the Legislature which created it intended that it should. It was not deterred by attacks from many quarters that were inspired by groups or agencies that had an ulterior motive in trying to build up for the Mansfield administration a prestige that it does not deserve.

The record shows that the Commission's reports during the year were unanimously adopted by all members of the Commission with but a single exception. This single exception amounted to no more than that three members said a particular matter had been

investigated until there was nothing more that the Commission could do, and the minority membership said it should be investigated further, but by somebody else. Yet, to the very end of the year the minority membership joined heartily with the majority in every other work undertaken and every other report made. There never was greater unanimity than this in any day of the Commission since its creation in 1909.

The Finance Commission, as it existed in 1934, withheld public criticism of the mistakes of the Mansfield administration during that year. It has been the policy of the Commission to permit a new mayor to become accustomed to the intricate problems of municipal administration before enlisting public opinion to prevent continuation of mistakes. The records of the Commission for the year 1934 reveal many instances of a desire, expressed in informal reports to the Mayor, to help him to function efficiently and economically. Added justification for this leniency was that the times were very trying, and the depression was then at its lowest level. There was consequent demand upon all public agencies on the one hand to help out the large number of people in want, and on the other hand to reduce taxation. It is true, nevertheless, that the Mayor had increased his difficulty by replacing with new appointees who were inexperienced in public office many old, reliable employees who had been found so valuable by previous administrations that the continuance of their employment was never before in question.

When, however, the financial burdens — temporarily lightened by wholesale layoffs of City employees, by a general reduction in salaries, and by suppression or curtailment of municipal service previously enjoyed — were subsequently increased by violations of the elementary principles and practices of fair bidding and contract awards; by the increasing frequency of handing out work to favorite political contractors with little or no check-up of the prices charged; by an

utter neglect to carry out systems of management of municipal activity installed after much study and great expense, then it became apparent that the Mayor in office had been too kindly dealt with. Administration mistakes had become abuses; the informal reports, offered in a spirit of cooperation, were being pigeon-holed without corrective action; specious explanations were being given of administrative acts which were inexplicable unless charged off either to incompetence or to a desire to repay political debts with public funds.

It is noteworthy that though attempt has been made to belittle the work of the Commission by alleging to it false motives, the facts and figures portraying inefficiency, incompetency, and often more serious revelations have been steadily piling up against the present administration in City affairs. The reports containing these facts and figures are conclusive evidence that the Commission in the past year has performed the duty that the Legislature gave it to do.

Some of the principal activities of the Commission during the year were as follows:

# 1. THE INVESTIGATION OF THE SO-CALLED DOLAN CASE AND THE LAND-TAKINGS FOR THE EAST BOSTON VEHICULAR TUNNEL.

When the year began the principal item on the Commission's docket was the special investigation which was started by the Finance Commission in the fall of 1934 in an effort to substantiate sensational charges made in the gubernatorial campaign of that period relating to certain administrative matters in the City of Boston. The attorney who was hired in 1934 to conduct it was still at work and under pay from the Finance Commission. He had the assistance of the entire staff of the Commission. Some of his reports had been made public; other reports relating to charges made in the campaign had been offered by him to the Commission as it was constituted at the end of 1934 (Messrs. Leonard, Storey,



Donahue, Wheeler and Sheehan, with Judge Kaplan later replacing Leonard), but had been rejected. The record reveals that these reports were rejected by the Commission of 1934 because they lacked the facts to warrant the conclusions contained in them. The new membership of the Commission that came into office in January of 1935 gave the special investigator every opportunity to pursue his inquiry to its conclusion. All the facilities of the Commission remained at his disposal. Extra help was hired, as he asked for it, and, in fact, every request he made for funds or assistance for investigation purposes was granted.

After another month of futile effort by him to supplement the information already in possession of the Commission when he was originally hired, he suddenly resigned his job, taking with him copies of all the testimony acquired in the investigation. This was without suggestion from the Commission and without any previous warning by him of dissatisfaction with the cooperation the new Commission was giving to him. He offered no new reports at this time, but re-submitted reports previously rejected by the old Commission.

Later the new Commission made a report relating to the purchase of securities by Edmund L. Dolan as City Treasurer in the years 1930 to 1933. This report was signed by all the members, three of whom were new appointees, and the remaining two (Judge Kaplan and Alexander Wheeler) were appointees of former Governor Ely. The material for this report had been assembled by Alexander Wheeler with the advice of the expert bond broker who was hired by the old Commission. It included everything of value found in the special investigator's report. The Commission's conclusion in this report was that a profit of approximately 2 per cent had been made by brokers on bonds sold to the City. It contained no criticism of the acts of the aforementioned City Treasurer.

It was the unanimous conclusion of the Commission at the time that this investigation was then completed.

Some weeks later, however, because of a repetition of public statements containing no more alleged facts than had been offered to the old Finance Commission and decided by them to have been unsubstantiated, the special investigator enlisted to his support certain well-known public men. It was his claim that the new Commission had suppressed his reports.

As a result, the Legislative Committee on Rules held hearings for the purpose of determining whether or not there was any merit to the charges being made. At this hearing the Finance Commission promptly turned over to the Legislative Committee all the reports that the special investigator had made and it was a shock to the Committee to discover that the special investigator had been misleading the public: that his so-called suppressed reports contained nothing not already made public by the Finance Commission except his own opinions. These were the opinions which the old Commission rejected because unsubstantiated.

At the request of the Committee on Rules, the Finance Commission reopened its own investigation and heard more witnesses. Later the Commission made another report and gave to the Committee on Rules complete copies of the testimony taken during the inquiry. This testimony was given to the Press and was printed in full in several newspapers.

Three members of the Finance Commission then concluded, and so reported, that the Finance Commission had given to the Committee on Rules all the facts that could be obtained by the Finance Commission in relation to charges concerning the purchase of securities by the City Treasurer of Boston in 1930-1933, and in relation to the land-takings and other matters investigated. Judge Kaplan and Alexander Wheeler made a minority report which, in effect, expressed dissatisfaction with the testimony of the witnesses examined by the Commission under oath, and recommended further investigation by a committee of the Legislature or by the Corporation Counsel of Boston.

In a personal statement to the Committee on Rules which had previously been published, Mr. Wheeler expressed the opinion that it would be a waste of time and money further to continue the investigation.

It was obvious to all the members of the Finance Commission that whatever were the motives of the members who started this investigation, it had become steeped with political considerations. It was not an attempt to accomplish some good for the taxpayers of Boston, but a political job that was being kept going for an ulterior purpose. The Commission unanimously decided that since the Legislative Committee on Rules had taken the investigation out of the hands of the Finance Commission, the Finance Commission should turn its attention to the regular investigative work of the Commission which had been long neglected.

## 2. BOSTON CITY HOSPITAL.

The Finance Commission has long kept a watchful eye on the continued development of conditions at the Boston City Hospital that were gradually destroying efficient management of this important institution. While the City was spending millions of dollars in replacing a worn out and outmoded physical plant, the result of a commendatory step begun in 1930, capable management was becoming a lost art and an institution that had acquired high national standing for the quality of its service was steadily approaching the lowest level in management in its history. This was not due either to lack of ability or the character of the Superintendent at the time, but wholly to interference with his management from within and without the institution.

The Commission had already attempted to stem the tide of disintegration by frequent conference with hospital officials, and by reports of conditions to the Mayor and Council. When it became apparent in 1935 that other means would not avail, the Commission gave to the public a report on some of the details of

management that shocked the community. This revealed that the pay roll was overloaded, principally by political appointees; that selection of employees had been taken from the hands of the trustees and Superintendent; that persons previously unknown to the hospital authorities were being sent in to them by the employees of the Mayor's office and certain members of the City Council to be put on the pay roll and the Superintendent required to find some excuse to warrant paying them a salary; that there was no central or definite authority for administration within the hospital organization; that wholesale thievery of food, medicines, supplies and equipment existed without check; that there was absolutely no control on the entrances and exits, thirteen of them, and that as a result unidentifiable persons could enter and roam at will throughout the institution, and take out whatever they liked. The hospital was using more food proportionately and paying a higher price for it than any other of several similar institutions visited by representatives of the Commission, yet the patients complained of its quality when served.

These and many other equally indefensible conditions related in the report led the Commission to demand a reorganization of the executive staff and the substitution of a good business management. Some improvements have resulted, notably a closer supervision of the comings and goings of employees, a control on the admission of visitors, and a closer matching of the foods and other supplies purchased with the amount properly used at the institution. Generally, the management has been improved, because authority has been centralized in the Superintendent. The many conscientious physicians and surgeons who give their time without compensation to the work of the institution are better satisfied with the conditions. An anomalous situation, however, still remains: The statutes place the responsibility of management on an unpaid board



of trustees, but the Mayor has placed it on a subordinate, the Superintendent. The Finance Commission's recommendation was for a change in the statutes to accomplish this needed improvement legally.

### 3. THE EAST BOSTON VEHICULAR TUNNEL.

The construction of the East Boston Vehicular Tunnel was one of the most needed contributions to the public service of Metropolitan Boston in a generation. It not only provided easy access from the City Proper to what should become one of its most important commercial subdivisions, but it permitted a speed and safety in transportation between important business and residential centers to the north and the south of the City that, as time goes on, becomes increasingly valuable.

It is much more than a local improvement. It serves the whole shore front of Massachusetts. Boston, however, must pay for it out of the funds of Boston taxpayers until the collection of tolls from the people who use it becomes great enough to relieve the taxpayers of that burden. The City borrowed approximately \$20,000,000 to pay for it. The cost of maintenance and the carrying charges on the debt incurred amount to close to \$1,500,000 per year.

It was, therefore, all important that it should be operated efficiently from the start and that every effort should be made to increase its earnings and to husband them carefully so that the portion the taxpayers are called upon to pay towards financing it might be kept at the lowest possible figure.

Yet the Finance Commission found after the tunnel had been in public use for a year that a mechanical system installed at a cost of over \$100,000 and intended to provide a check upon the proper receipt of the money collected and collectible was being allowed to decay without any serious attempt to make use of it. Though the system was entirely mechanical and, like all mechanical things, in need of regular attention, such elementary



needs as, for instance, periodic oiling had been neglected. The Commission was informed by City employees that for six months after the tunnel was opened to the public no one was assigned to take charge of the working of the mechanical system. Some officials of the Public Works Department who were in custody of it informed the Commission that the system was impractical and useless. Employees of the Transit Department which bought it and installed it, on the other hand, candidly stated to the Commission that the Public Works Department employees did not want it to work.

Finance Commission investigators found that the turn-in of tolls collected by the collectors never agreed with the totals the machines registered; and almost never equalled the amount the machines registered. Though definite schedules were adopted which determined the amount which should be collected for each type of vehicle, in several periods of observation the Finance Commission investigators found that collectors disregarded the schedule of rates to the detriment of the City. They also observed on many occasions the failure of collectors to register any collection.

Numbers of persons informed the Finance Commission that they saw no fees being recorded though they had seen them collected. The employees claimed the machines were inaccurate. The makers of the machine said they worked all right in other places and there was no reason why they should not work all right in Boston. It was apparent that the City was being defrauded.

The publicity given to the situation by the Finance Commission finally impressed on the Public Works officials the necessity for putting the machinery of collection in order and of keeping it in order. Like all systems, however, successful and honest operation depends on the character of those employed to carry it out. It is the duty of the Public Works Department officials who have this enterprise in charge to be alert to any possibility of defect from any cause.

#### 4. AWARD OF CITY CONTRACTS.

Since the charter of the City was amended in 1909 to give the Mayor complete and absolute control of the award of contracts by department heads, the City has gradually built up a reputation, not previously enjoyed, of dealing fairly, in the award of contracts, with business firms desiring to do business with the City. Contracts amounting to more than \$1,000 had to be advertised publicly except in cases where department heads, to avoid the necessity of advertising, would offer a reason that might be considered sufficient to stand the test of public inspection.

When bids had been publicly solicited, it usually meant that, unless there was some special reason for doing otherwise, the award would go to the lowest bidder. In the years since the charter amendments brought about this change, the number of responsible business firms competing on an equal footing for City contracts has been ever increasing.

Occasionally a deviation from such a policy has provoked a protest from the Finance Commission, but considering the number of contracts advertised and the number that have been awarded to other than the lowest bidder, it might properly be said that the infractions of the rule before 1934 only proved the rule.

Last year, however, there appeared to be a concerted effort on the part of several department heads to break down this long established policy with respect to awards. The Commission reported instances to the Mayor. It was surprising to the Commission that instead of the customary, courteous acknowledgment from the Mayor of the receipt of reports, the reply usually came in the form of a statement given to the newspapers attacking the motives of the Commission in making the report. The facts of the reports were seldom answered categorically, and denial was never sustained.

In these reports the Commission pointed out many ways by which department heads sought to violate the

principle of dealing fairly with firms seeking to transact business with the City. Some of these were as follows:

“Informal bids” were being asked for in a greater number of instances than ever before. “Informal” bidding means asking a selected few to submit prices privately. There is no public competition, and therefore there is opportunity for manipulation of figures.

Firms which were the lowest bidders in competition and had complied with the requirements of the bidding by filing certified checks as guarantees of good faith were determined to be “not financially responsible” and therefore their bids rejected.

Firms which were the lowest bidders in competition were denied awards because the department heads wanted “to give the business to a local concern.” On the other hand, often local firms, without political affiliations, were denied favorable consideration, when low bidder, for capitious reasons.

Some firms, the lowest bidders in competition, and who had complied with the requirements, were determined to be “not qualified by experience.” One firm thus denied a contract had been in the same line of business for fifty years.

In some cases one of a number of firms in competition was allowed to write the specifications. When the bids were asked for, it was found that the firm which wrote the specifications had placed its competitors at the disadvantage of having to quote prices on equipment which only the firm which wrote the specifications could sell.

Purchases were often made and contracts often awarded without definite written specifications. In these cases the awards were always to firms which had established political contacts.

In awarding snow-removal contracts, the Public Works Commissioner ignored failure to comply

with specifications and awarded a contract to one contractor, not the lowest bidder, because "he wanted him to have the contract."

The Finance Commission investigated all these and many similar cases. In practically every one there was discrimination against responsible business firms. In most of them, complaint was made to the Commission by firms suffering from this discrimination. The Commission was prompted to make protest in these cases for two reasons: (1) the City could not afford to pay the extra cost for service or merchandise made necessary by this favoritism; (2) continuation of such policies was likely to result in the decision by reliable business firms to ignore the business of the City of Boston. The City then would be dependent on firms of low standing or of no standing.

As the result of these reports, there was some slight let-up in the objectionable practices, but that the evil has not yet been eradicated is evidenced by recent awards, as in the case of the purchase of snow-removal equipment by the Superintendent of Supplies and in the case of an award of a contract for trucking by the Library Department.

#### 5. APPOINTMENT OF AN EXCESSIVE NUMBER OF CONSTABLES.

When public announcement was made that Mayor Mansfield proposed to appoint twenty-eight additional constables to the pay roll and to scatter them throughout the departments of the City, the Finance Commission was prompted to ask the reason for it. It meant adding approximately \$50,000 to the taxpayers' burden. The Mayor never replied to the Commission's letter.

The appointment of a constable is made by the Mayor with the approval of the City Council. It does not require civil service approval, and selection of appointees is not made from any list examined or certified by the Civil Service Commission.



For several years past it has been recognized that the only way by which an administration could reward political supporters with public employment, without compliance with the testing and selection that the Civil Service laws require, was by putting them at work and calling them constables. Mayor Mansfield had already placed a new batch of fifty appointees on the City pay rolls.

The Finance Commission examined the heads of departments who employed persons rated as "constables." From their testimony, it appeared that of the fifty employed, not more than two or three were actually performing duties which required the service of "a constable," as the statutes set forth those services. For the most part, they were acting as clerks, messengers, inspectors or investigators. If given their correct ratings, they would have come within the purview of the Civil Service Commission. Their continued employment, therefore, under the rating of "constable" was an evasion of the Civil Service laws.

In addition, it appeared from the testimony of the department heads examined that the duties assigned to many of them were either fictitious, or could be absorbed by other employees without hardship to any.

No department head examined, however, would admit that he had asked for any more or that he could use any more. Some went so far as to say that they could get along with less. Yet the Mayor was asking the City Council to approve the appointment of twenty-eight more whom he must have the departments absorb. It was unjustifiable loading of the pay roll to the amount of \$50,000. It was a plain case of paying political debts by passing out appointments to the City pay roll.

The Finance Commission naturally objected. The Commission asked the Civil Service Commission to take action to uphold the principles of the Civil Service laws. The Commission asked the Mayor to abandon this unwarranted loading of the City pay roll.

After the Council confirmed the appointments, the Mayor held in abeyance for several weeks the assignment of the new constables. When, however, the Legislature had completed its determination of the amount of money the City could spend during the year, the twenty-eight constables were established on the pay roll.

The Finance Commission believes that the services of these twenty-eight men are unnecessary, and their appointment was accomplished by subterfuge.

#### 6. RENOVATION OF QUINCY MARKET BUILDING.

A criticism of policy which the Commission found it necessary to make many times during the past year related to the inclination of the administration aides to commit the City to eventual heavy expenditure of funds without careful and scientific analysis of the problem before them at the time. The purchase of snow-removal equipment later discussed; the award of split contracts by the Public Works Department; the purchase of the most expensive type of kitchen equipment at Long Island, when a cheaper and more efficient type would have served the institution better, are instances of the bad judgment exercised, which the Finance Commission pointed out.

The most aggravated instance of this nature was in the case of the request by the Mayor for the authorization by the City Council of an appropriation of almost \$500,000 to carry out plans for remodelling the Quincy Market Building. These plans teemed with extravagance and lavish outlay. They would have required the razing of a roof that was, for the most part, sound and serviceable. The consequent waste would be approximately \$100,000. They required the replacement of girders then being installed at a cost of approximately \$45,000, all of which would have been wasted. They required the lining of cellar walls with a type of tile that ordinarily is used where a high degree of ornamentation is desirable. They required the installa-

tion of terrazzo floors, the most expensive type, in the basement and in the meat stalls on the first floor. The major portion of these floors would be covered always by counters, boxes, or barrels, and to a great extent by sawdust to absorb dampness.

Inasmuch as 45 per cent of the cost of this project was to be financed by a P. W. A. grant, the Federal authorities had been made acquainted with a general idea of the intentions of the City authorities, and had given the project tentative approval.

The Finance Commission discovered, however, that the Superintendent of Public Buildings, under whose direction the work would be done and who has the responsibility to determine what renovation is necessary, had not been given an opportunity to study and pass upon the plans until the Finance Commission brought them before him.

The Finance Commission desires to compliment the Superintendent of Public Buildings for his cooperation in blocking this contemplated squandering of public money. The City Council, at the request of the Commission, deferred action until the plans had been carefully revised under the direction of the Superintendent of Public Buildings. In the revision of the plans the soundness and safety of the building became the aim rather than a ridiculous ornamentation of it.

## 7. REGULATION OF THE FINANCIAL PRACTICES OF THE CITY OF BOSTON.

The gradual but persistent whittling away of the sound financial reputation which the City of Boston had built up in the two decades following the reforms in management forced by the charter amendments of 1909 impressed upon the Legislature of 1935 the necessity for a study to determine the cause and to recommend the cure.

A legislative committee invited comment and opinion from agencies or individuals having special knowledge. The Finance Commission made its contribution. This

contribution, in the form of specific recommendations, was based on the accumulated experience of the Commission in the twenty-five years of its existence.

The Commission had no new theory to advocate and no old theory to sustain. It had been its function for twenty-five years to study and observe municipal administration as no other agencies had authority or opportunity to do. The Commission has had the duty by statute to inquire into all features of municipal operation and expenditure and report upon them, to point the finger publicly at defects and to recommend remedial changes.

The long list of reports issued to the Governor and Legislature, the Mayor and City Council, and the number of cases referred to prosecuting officers amply record evidence of the Commission's compliance with the letter and spirit of the statute which created it.

Opinions given by the Commission and conclusions drawn are based on the facts of municipal government as they exist, and are not predicated solely on a theory of government which one group of taxpayers might subscribe to and another group might oppose.

When the Commission reported to the Legislative Committee, therefore, that reform in municipal practices should not begin with the sudden termination of the forty-year old policy of requiring Boston's administrators to show their sovereign, the State of Massachusetts, how much money they needed and why, before they could tax the people for it, this opinion was based on a view of the situation from a practical standpoint. It is perhaps unnecessary here to show why a theory is unsound that all the cities of Massachusetts, including Boston, should be treated alike in the matter of fixing their taxing or spending right. That theory has been exploded by the Finance Commission on many occasions.

The Commission took this opportunity in 1935 to emphasize once more the reasons why Boston should be limited, and advocated a form of limit that would



actually accomplish the purpose desired, namely, an appropriation limit in dollars and cents. The Commission also recommended the establishment by statute of a department of finance under a city comptroller who would be independent of the Mayor and City Council and a check upon City expenditures; and the application of so much of the Municipal Finance Act to the City of Boston as relates to the issuance of debt.

It is perhaps timely to point out that had there been an independent control of City expenditures such as the Finance Commission visualizes in a department of finance, it is unlikely that there would have been the gross waste of City funds that has been related in this report as having taken place in the award of contracts and particularly in the payments for snow-removal work in the last year.

Centralizing administrative authority in the Mayor is not handicapped by creation of an independent authority to keep administration within the law.

#### 8. SNOW-REMOVAL EQUIPMENT.

When the first heavy fall of snow in the winter of 1934-35 covered the Boston streets toward the latter part of January, 1935, ordinary business was somewhat paralyzed for days because the street cleaning system of the City and the men entrusted to operate it proved utterly incapable.

The City's equipment of trucks, in number of units, was negligible and badly in need of repair or replacement. Though experience had taught that heavy falls of snow are likely to come upon the City suddenly and swiftly, and that one or more is bound to come every year, no thought had been given to preparation for such eventualities. No modern equipment for snow loading and removal was owned by the City. The number of plows on hand was inadequate for anything more than a gesture at clearing the streets. There was no definite plan of action for removing snow when

the emergency would come; and organization within the City forces such as would seem to be necessary was entirely lacking.

When the fall of snow had stopped and two days had passed without noticeable clearing of the streets, even in the downtown business district, the Mayor abruptly asked the City Council to appropriate \$800,000 for new snow-removal equipment. How this figure of \$800,000 was arrived at, and what units of equipment it was intended for, have not yet been revealed.

The Finance Commission asked for defeat of the order or delay. The Commission emphasized the necessity for a survey by an expert committee to determine the need in number and kind of units, and the cost; and also, of equal importance, to make certain of an efficient method of procedure in snow-removal work and an efficient organization of employees to make use of the equipment when purchased.

The City Council rejected the Mayor's order for an \$800,000 appropriation. The Mayor disputed the necessity for such a survey as the Commission had recommended. Many months went by without any further action to prepare the City for the snow of another year. Late in August, after the Finance Commission conferred with the Public Works Commissioner and impressed upon him the necessity of early action on the preparations for snow-removal work, the Mayor appointed a survey committee such as the Finance Commission had suggested eight months earlier.

The expert committee reported that only \$675,000 was needed to equip the City sufficiently with snow-removal equipment. They had adjourned *sine die*, without arranging for a new method and a new organization. The Finance Commission's protest at this premature adjournment was immediately followed by a reconvening of the committee and a plan of action was produced.

Again, the Finance Commission protested that the committee's work was not finished without passing

upon the price to be paid per unit and the types of equipment to be purchased. This brought word from the Mayor that that was also part of their job. The committee, however, — it subsequently turned out, — was never given an opportunity to participate in this important detail.

After bids were received, the Public Works Commissioner assembled a group of his own subordinates and delegated to them the job of passing upon the bids and making selections for purchase. Experts were hired by the group. They reported upon the bidders who had complied with the specifications and those who had not. They picked out the equipment that they believed it would be best for the City to buy.

When the group was informed by the Mayor that he wanted them to reconsider certain of the suggestions of their first report, they made a new report. Still some weeks passed without action to close the matter by the Superintendent of Supplies whose duty it was to make the contract.

Suddenly, on January 2, 1936, without further conference with any of the expert committee organized by him originally to help solve the problem of the amount and the kind of equipment to buy, the Mayor conferred with a local trucking contractor, a former law client of his, and at this conference, lasting less than an hour, it was decided what equipment would be bought.

The major portion of the purchase was directed to be made from a manufacturer who was not the lowest bidder and who had not been recommended by the Public Works Commissioner's committee or its experts. These latter had, in fact, reported that this particular manufacturer offered a truck that did not meet the specifications. The decision by the Mayor required the City to pay approximately \$165,000 more for its equipment of trucks and snow-removal equipment than would have been necessary had advantage been taken of the expert advice and the best offers made to the City.

The Finance Commission has held public hearings to bring out the facts in connection with this needless extravagance. These hearings are a part of the work of 1936, which is later than the period covered by this report.

The Commission is satisfied that with the help given by some members of the City Council the Commission forced a survey by experts of the need for snow-removal equipment which saved the taxpayers \$125,000. The Commission believes that had the same committee of experts been permitted to determine the selection of equipment to be purchased from the bids submitted, a further saving of \$165,000 would have been added.

The list of reports issued by the Commission in the year 1935 follows:

- Feb. 1, 1935. To the Mayor. Regarding the circumstances surrounding the determination by the Trustees of the George Robert White Fund in 1933 to construct a Prado or Park in the North End.
- Feb. 18, 1935. To the City Council. Opposing the adoption of an order to authorize a bond issue of \$800,000 for the purchase of snow-removal equipment.
- Feb. 20, 1935. To the Mayor. Regarding purchase of bonds by Edmund L. Dolan, former City Treasurer, in the years 1930 to 1933, inclusive.
- Feb. 25, 1935. To the Mayor. Regarding his request for a copy of testimony taken before the Finance Commission.
- March 25, 1935. To the City Council. Recommending that immediate action be taken regarding approval of the gas lighting contracts.
- April 6, 1935. To the Committee on Municipal Finance. Regarding fixing a limit on the property tax in the City of Boston.
- April 10, 1935. To the Mayor. Reporting further on the Land-Takings for the Layout and Construction of the East Boston Vehicular Tunnel.
- April 26, 1935. To the Mayor. Opposing the City Council's request to abandon the system of Federal inspection of foods purchased for City institutions and recommending that this type of inspection be extended.
- May 13, 1935. To the City Council. Replying to an order adopted by that Body requesting the Finance Commission "to look into the so-called 'Patch Paving' contracts in the City of Boston."



- June 1, 1935. To the Mayor. Requesting an explanation of his proposal to employ twenty-eight additional constables.
- June 11, 1935. To the Mayor. Giving reasons why the form of contract made by the City with the dealers for the City's fuel oil and gasoline supply should be revised.
- June 28, 1935. To the Mayor. Regarding the administration of the Boston City Hospital.
- July 6, 1935. To the Mayor. Regarding the failure of the system for the collection of tolls at the East Boston Vehicular Tunnel.
- July 20, 1935. To the Mayor. Regarding the contract for the repair of the ferryboat "Charles C. Donoghue"; also opposing certain practices in the requirements for ship repair work.
- July 23, 1935. To the Mayor. Opposing the adoption of the recommendation of the Public Works Commissioner to award a contract for the reconstruction of the South Ferry to W. H. Ellis & Son Company.
- July 27, 1935. To the Mayor. Protesting the practice of awarding City contracts without fair competitive bidding; also calling attention to contracts for Quincy Market Building Repairs and the Roofing Contract at Deer Island.
- Aug. 2, 1935. To the Mayor. Regarding the specifications of a contract to furnish kitchen equipment at the Long Island Hospital.
- Aug. 5, 1935. To the Mayor. Regarding his contract policy.
- Sept. 6, 1935. To the Civil Service Commissioner. Enclosing copy of report in regard to employment of twenty-eight additional constables.
- Sept. 10, 1935. To the Mayor. Relating to awards of contracts to other than the lowest bidder.
- Sept. 14, 1935. To the Mayor. Relating to recommendations of the National Board of Fire Underwriters for economies in the Fire Department.
- Sept. 16, 1935. To the City Council. Relating to waste, extravagance and graft in connection with the proposed new court house.
- Sept. 20, 1935. To the Mayor. Calling attention to irregularities in assignment of work at the entrances to the East Boston Traffic Tunnel to B. F. Hanrahan, an East Boston contractor; also the Mayor's reply.
- Sept. 21, 1935. To the Mayor. Urging speedy action on the making of proper plans for snow removal and the purchase of new equipment.
- Oct. 3, 1935. To the Mayor. Giving reasons why the Commission should not accede to a request from the Corporation Counsel for copies of testimony taken by the Finance Commission.

- Oct. 11, 1935. To the Mayor. Answering his letter in relation to the Commission's refusal to give to the Corporation Counsel copies of certain testimony.
- Oct. 21, 1935. To the City Council. Relating to the order for an appropriation for snow-removal equipment.
- Oct. 25, 1935. To the Mayor. Recommending further study by the snow survey committee to determine makes of trucks and plows to be purchased.
- Oct. 25, 1935. To the Mayor. Relating to the work of the snow survey committee.
- Oct. 28, 1935. To the City Council. Recommending that action on the loan order for \$460,000 for the renovation of the Quincy Market Building be deferred.
- Oct. 30, 1935. To the Mayor. Regarding the conditions under which the Commission allowed the Corporation Counsel to examine the Finance Commission files relating to an investigation of E. L. Dolan, former City Treasurer.
- Oct. 31, 1935. To the Mayor. Dissenting report in relation to the above matter.
- Nov. 5, 1935. To the City Council. Withdrawing objection to the adoption of a loan for the Renovation of Quincy Market.
- Nov. 9, 1935. To the Mayor. Relating to the proposed purchase, without public competition, of four pieces of fire apparatus.
- Nov. 20, 1935. To the Special Commission on Municipal Finance. Regarding the proposed regulation of Financial Practices in Boston.
- Dec. 5, 1935. To the Mayor. Renewing the Finance Commission's protest against the purchase of four pieces of fire apparatus without public competition.
- Dec. 16, 1935. To the Mayor. Regarding the proposed award of a contract for snow removal to Hugh Nawn, Inc.
- Dec. 31, 1935. To the Governor. Regarding the purchase by the City of Boston of second-hand equipment for the Long Island Hospital.

Respectfully submitted,

E. MARK SULLIVAN, *Chairman*,  
 PHILIP A. CHAPMAN,  
 ROBERT ROBINSON,  
 JAMES E. MAGUIRE,  
 JOSEPH A. SCOLPONETI,

*The Finance Commission.*

ROBERT E. CUNNIFF,  
*Secretary.*